

Clutter

A Zip customer
success story

Emphasizing visibility and independence at Clutter

Leveraging the power of digital to
force multiply your team

Increased PO-backed
spend by

+18%

Procurement has
increased savings by

+24.5%

Procurement now has
one central vendor
repository so renewals
are never missed



ZIP

Building Clutter procurement from the ground up

Ross Sharp joined Clutter in January of 2021 to build their procurement function from scratch. To keep up with Clutter's rapid growth, Ross realized that he needed to invest in technology rather than head count to truly—and quickly—scale to meet the business' requirements. Zip became his silver bullet for establishing scale, providing automation, and delivering an exceptional user-friendly experience for requesters and approvers.

About Clutter

High-growth, venture-backed company

Based in Los Angeles, CA, with locations (and buyers) nationwide

Founded in 2015

Tech-enabled moving and storage company

“No matter where you are: early stage, late stage, aerospace, or tech, there's always general confusion around how to buy things. How are people supposed to interact with procurement? What systems do they use?”

Ross Sharp, Head of Procurement, Clutter

As-was situation

Before a dedicated procurement function was created, all purchasing processes were run by the Finance Department. The only technology they had available was NetSuite; there was no other sourcing or procurement technology in place.

“When I first joined, I inherited NetSuite from finance, but it required hours of training for Clutter's employees to correctly code lines for a simple purchase requisition,” said Ross.

“The tool didn't include IT, security, and legal in its workflows, so employees went back and forth over Slack and email for all non-finance approvals. They were frustrated with the long, fragmented, and manual process that did not give them clear visibility into their requests. I was frustrated too.”

Clutter had a “No PO, No Pay” policy, but it was difficult to enforce without an intuitive, centralized system used across all cross-functional approvers. Improving PO-backed spend was a large priority for the business, especially given their growth trajectory.

Clutter's primary challenges:

- 1** The procurement team was spending 40% of their time manually managing intake and approval workstreams and shepherding requests through the process across the finance, IT, data security, and legal teams, and others.
- 2** Employees had zero visibility into the status of their purchase requests, so they had to repeatedly reach out to procurement for updates.
- 3** With Clutter's fast growth rate, oversight was needed to make sure that purchases were appropriate and clear records were kept, ultimately preventing spend leakage.
- 4** Informal, multi-channel approvals made it impossible to create an audit trail that covered all cross-functional teams, measuring the financial impact of purchasing decisions, or tracking spend to plan.
- 5** Significant training was required to help employees access the NetSuite requisition module, which solved only one part of the approval process: hierarchical financial approvals.

“Prior to Zip, even with attempts to train employees, about 85% of purchase requests that were submitted were coded and/or configured incorrectly because our coding logic is very particular and the previous system was too rigid. With Zip, this number has gone to almost 0%.”

Rebeca Reyes, Supply Chain Lead/Procurement Ops, Clutter

Finding the solution

Clutter needed a solution that was purpose-built to automate their intake and approvals process, placing an emphasis on speed, visibility, and the user experience. Clutter implemented Zip's intake-to-procure solution in less than eight weeks and integrated it with their core technologies (NetSuite ERP, OKTA SSO, and Slack) with little active involvement from IT.

Clutter's internal buyers adopted Zip immediately and required no training to make their requests. Now, instead of coding lines in NetSuite, users only have to make one simple request. That request captures all of the relevant information about what the employee needs and triggers an internal workflow, automatically routing to all relevant stakeholders in security, legal, IT, and finance to facilitate faster approvals.

With Zip, requesters and approvers are able to track where the request is in the process, eliminating the weariness, worry, and confusion of all stakeholders. The improved experience has positioned procurement as a hero instead of an administrative hurdle, and has given requestors exactly what they want: complete visibility into their request during the entire approval process.

The acceleration and ease of the purchasing process and approval workflows ultimately lead to happy Clutter employees who have what they need to do their jobs. Their strategic procurement organization is now able to bring more spend under management while also driving 24.5% savings. Finally, by increasing PO-backed spend by 18%, Clutter can confidently implement their "No PO, No Pay" policy, and by implementing one central system for intake-to-procure, all audit trail concerns have diminished.

“Using Zip has made ordering a much smoother process. I am incredibly impressed with their approval flow chart. You can easily see who's next to review each request and how many reviews/approvals are needed. Also, getting notifications as each step progresses helps you see just how close you are to completing your request.”

Anastasia Alexander, Warehouse Coordinator, Clutter

The results are in

- 1 Clutter's employees have embraced Zip's single workflow and crystal clear visibility that extends across finance, legal, IT, and other cross-functional teams.
- 2 Procurement has driven **24.5%** more savings by getting involved earlier in the spend-approval process.
- 3 PO-backed spend has increased from **64% to 82%**.
- 4 Since contract renewals are also centrally managed and triggered in Zip, procurement now has one central repository for all vendors and an easy way to get ahead of renewals so negotiation or cancellation timelines are never missed.
- 5 Procurement spends the time freed up by the new intake process to meet with other functional leaders and plan how to strategically meet future requirements.

“I was able to get Zip up and running very quickly—well under the typical estimated implementation timeline of eight weeks—which solved many of my short-term problems and allowed me to move on to more strategic opportunities.”

Ross Sharp, Head of Procurement, Clutter

Building a new model for working with procurement

Clutter's newfound visibility is exactly what their employees wanted, but the benefits do not end there. Now that their requesters have visibility into the procurement process, they no longer come to procurement for status updates. Instead, they partner with procurement to problem-solve and continue fueling the company's growth, pulling in IT, legal, and finance as needed. They also have a better understanding of the value an effective procurement process can bring to the business.

"The less time I can spend on procurement ops work, the more time I can spend on strategic sourcing initiatives and partnering with finance on longer-term projects," Ross said. "Modeling different scenarios for procurement is really where my team's value gets unlocked. No one wants to pay me to come in and manually route approvals or clean purchase orders. I still have a small team, but by implementing Zip, I can spend more time with finance, marketing, and the product teams understanding what their current challenges are and what their future challenges will be so we can bring on partners who will be able to help us meet those challenges."

Get started today

See for yourself how Clutter uses Zip to achieve these results. Request a demo today.